

Monthly Operating Report
ACCRUAL BASIS

CASE NAME:	Highland Capital Management
CASE NUMBER:	19-34054
JUDGE:	Stacey Jernigan

UNITED STATES BANKRUPTCY COURT
NORTHERN & EASTERN DISTRICTS OF TEXAS
REGION 6

MONTHLY OPERATING REPORT

MONTH ENDING: October 2020
MONTH YEAR


IN ACCORDANCE WITH TITLE 28, SECTION 1746, OF THE UNITED STATES CODE, I DECLARE UNDER PENALTY OF PERJURY THAT I HAVE EXAMINED THE FOLLOWING MONTHLY OPERATING REPORT (ACCRUAL BASIS-1 THROUGH ACCRUAL BASIS-7) AND THE ACCOMPANYING ATTACHMENTS AND, TO THE BEST OF MY KNOWLEDGE, THESE DOCUMENTS ARE TRUE, CORRECT, AND COMPLETE. DECLARATION OF THE PREPARER (OTHER THAN RESPONSIBLE PARTY) IS BASED ON ALL INFORMATION OF WHICH PREPARER HAS ANY KNOWLEDGE.

RESPONSIBLE PARTY:


ORIGINAL SIGNATURE OF RESPONSIBLE PARTY
James Seery
PRINTED NAME OF RESPONSIBLE PARTY

Chief Restructuring Officer/ Chief Executive Officer
TITLE
12-1-20
DATE

PREPARER:


ORIGINAL SIGNATURE OF PREPARER
Frank Waterhouse
PRINTED NAME OF PREPARER

Chief Financial Officer
TITLE
12.1.20
DATE

EXHIBIT
SE31

Monthly Operating Report
ACCRUAL BASIS-1

CASE NAME:	Highland Capital Management, LP
CASE NUMBER:	19-12239-CSS

Comparative Balance Sheet
(in thousands)

	<u>10/15/2019</u>	<u>12/31/2019 ⁽⁶⁾</u>	<u>10/31/2020 ⁽⁶⁾</u>
Assets			
Cash and cash equivalents	2,529	9,501	8,753
Investments, at fair value ⁽³⁾	232,620	232,820	107,676
Equity method investees ⁽³⁾	161,819	183,529	95,244
Management and incentive fee receivable	2,579	1,929	4,703
Fixed assets, net	3,754	3,521	2,746
Due from affiliates ⁽¹⁾	151,901	146,276	149,822
Reserve against notes receivable		(57,963)	(59,269)
Other assets	11,311	11,463	12,467
Total assets	<u>\$ 566,513</u>	<u>\$ 531,076</u>	<u>\$ 322,143</u>
Liabilities and Partners' Capital			
Pre-petition accounts payable ⁽⁴⁾	1,176	1,141	1,077
Post-petition accounts payable ⁽⁴⁾	-	2,042	923
Secured debt:			
Frontier	5,195	5,195	5,195
Jefferies	30,328	30,020	-
Accrued expenses and other liabilities ⁽⁴⁾	59,203	63,275	59,815
Accrued re-organization related fees ⁽⁵⁾	-	5,547	7,021
Claim accrual ⁽²⁾	73,997	73,997	73,997
Partners' capital	396,614	349,857	174,115
Total liabilities and partners' capital	<u>\$ 566,513</u>	<u>\$ 531,076</u>	<u>\$ 322,143</u>

⁽¹⁾ Includes various notes receivable at carrying value, except note due from Hunter Mountain Investment Trust which is fully reserved against (\$59M reserve). Fair value has not been determined with respect to any of the notes.

⁽²⁾ Uncontested portion of Redeemer claim less applicable offsets. Potential for additional liability based on future events. No interest has been accrued beyond petition date. No additional accruals will be made on settlement claims until further approval by the court.

⁽³⁾ Mark to market gains/(losses) on investments include pricing updates for publicly traded securities and other positions with readily available market price information. Certain limited partnership interests normally marked to a NAV statement have not been updated as of period end as statements are generally available on a one-month lag.

⁽⁴⁾ Note on accruals: expenses recorded in Accounts Payable and Accrued Expenses and Other Liabilities reflect invoices recorded through accounts payable, legal invoice accruals, and normal course operating accruals, but do not reflect estimates for other incurred, but not yet received invoices. For balance sheet dates other than the Petition Date, amounts include both pre-petition and post-petition liabilities.

⁽⁵⁾ Beginning December 31st, 2019, Debtor accrued for post-petition re-organization fees based upon an estimate of fees incurred to date.

⁽⁶⁾ All balances at December 31st, 2019 are preliminary, unaudited, and subject to further year-end closing entries pursuant to the normal year-end closing process. As a result, balances for subsequent months have and will fluctuate.

Monthly Operating Report ACCUAL BASIS-2

CASE NAME:	Highland Capital Management, LP	
CASE NUMBER:	19-12239-CSS	

Income Statement¹ (in thousands)

	Date	Filing to Year Ended ⁽⁴⁾	Month ended ⁽⁴⁾	Filing to date ⁽⁴⁾
	10/16/19 - 10/31/19	2019	10/31/2020	
Revenue:				
Management fees	975	4,528	2,099	21,113
Shared services fees	283	1,588	638	7,886
Other income	99	1,582	19	5,077
Total operating revenue	1,357	7,697	2,756	34,076
Operating expenses:				
Compensation and benefits	997	1,498	1,634	17,412
Professional services	256	64	218	2,385
Investment research and consulting	10	266	5	965
Marketing and advertising expense	-	370	7	528
Depreciation expense	82	244	76	1,016
Bad debt expense reserve	-	8,410	128	9,715
Other operating expenses	201	1,265	443	5,108
Total operating expenses	1,545	12,118	2,511	37,129
Operating income/(loss)	(188)	(4,421)	245	(3,052)
Other income/expense:				
Interest income	250	1,230	505	6,121
Interest expense	(107)	(286)	(22)	(697)
Reserve against notes receivable	-	(57,963)	-	(57,963)
Re-org related expenses ⁽²⁾	-	(5,547)	(1,309)	(30,108)
Independent director fees	-	-	-	(1,977)
Other income/expense	32	32	(24)	(168)
Total other income/expense	175	(62,534)	(850)	(84,793)
Net realized gains/(losses) on investments	339	618	2,527	(25,211)
Net change in unrealized gains/(losses) of investments ⁽³⁾	2,654	(955)	(4,680)	(41,527)
	2,993	(337)	(2,153)	(66,738)
Net earnings/(losses) from equity method investees ⁽³⁾	(20)	14,918	(5,969)	(73,533)
Net income/(loss)	\$ 2,959	\$ (52,374)	\$ (8,728)	\$ (228,116)

(1) Note on accruals: expenses recorded in the Income Statement reflect invoices recorded through accounts payable, legal invoice accruals, and normal course operating accruals, but do not reflect estimates for other incurred, but not yet received invoices.

(2) Debtor funded various retainers totaling \$790k prior to the petition date, which were entirely expensed as of the petition date.

(3) Mark to market gains/(losses) on investments include pricing updates for publicly traded securities and other positions with readily available market price information. Certain limited partnership interests normally marked to a NAV statement have not been updated as of period end as statements are generally available on a one-month lag.

(4) All balances are preliminary, unaudited, and subject to further year-end closing entries pursuant to the normal year-end closing process. As a result, operating results will change as these entries are made.

Monthly Operating Report
ACCRUAL BASIS-3A

CASE NAME:	Highland Capital Management
CASE NUMBER:	19-34054

	FILING TO YEAR END 2019	QUARTER 1	QUARTER 2	QUARTER 3	OCTOBER
CASH RECEIPTS AND DISBURSEMENTS					
1. CASH - BEGINNING OF MONTH	\$ 2,554,230	\$ 9,501,409	\$ 12,532,467	\$ 14,993,872	\$ 5,887,813
RECEIPTS FROM OPERATIONS					
2. OTHER OPERATING RECEIPTS	\$ 1,862,757	\$ 1,379,338	\$ 2,983,221	\$ 2,259,736	\$ 598,804
3. MANAGEMENT FEES AND OTHER RELATED RECEIPTS	\$ 3,156,742	\$ 7,555,297	\$ 6,179,437	\$ 5,575,680	\$ 1,367,428
COLLECTION OF ACCOUNTS RECEIVABLE					
4. PREPETITION	\$ 3,593,108	\$ 76,569	\$ 3,727	\$ -	\$ -
5. POSTPETITION ¹	\$ -	\$ -	\$ -	\$ -	\$ -
6. TOTAL OPERATING RECEIPTS	\$ 8,612,608	\$ 9,011,204	\$ 9,166,385	\$ 7,835,415	\$ 1,966,232
NON-OPERATING RECEIPTS					
7. THIRD PARTY FUND ACTUAL/EXPECTED DISTRIBUTIONS	\$ 423,468	\$ 18,992,786	\$ 797,571	\$ 610,254	\$ -
8. DIVS, PAYDOWNS, MISC FROM INVESTMENT ASSETS	\$ 1,338,069	\$ 477,479	\$ 74,376	\$ 5,311	\$ 1,242
9. OTHER (ATTACH LIST)	\$ 3,390,286	\$ 1,407,103	\$ 10,010,000	\$ 8,817,099	\$ 3,269,000
10. TOTAL NON-OPERATING RECEIPTS	\$ 5,151,822	\$ 20,877,369	\$ 10,881,947	\$ 9,432,664	\$ 3,270,242
11. TOTAL RECEIPTS	\$ 13,764,430	\$ 29,888,573	\$ 20,048,331	\$ 17,268,080	\$ 5,236,475
12. TOTAL CASH AVAILABLE				\$ 32,261,951	\$ 11,124,288
OPERATING DISBURSEMENTS					
13. PAYROLL, BENEFITS, AND TAXES + EXP REIMB	\$ 3,776,446	\$ 8,825,042	\$ 4,886,314	\$ 8,806,880	\$ 1,347,709
14. SINGAPORE SERVICE FEES	\$ 95,118	\$ 58,129	\$ 2,965	\$ -	\$ 10,547
15. HCM LATIN AMERICA	\$ 200,000	\$ 100,000	\$ -	\$ -	\$ -
16. THIRD PARTY FUND CAPITAL CALL OBLIGATION	\$ 1,426,987	\$ 7,812,469	\$ 3,087,163	\$ 979,631	\$ 110,220
17. UTILITIES	\$ -	\$ -	\$ -	\$ -	\$ -
18. INSURANCE	\$ -	\$ 533,940	\$ 376,376	\$ 163,400	\$ -
19. INVENTORY PURCHASES	\$ -	\$ -	\$ -	\$ -	\$ -
20. VEHICLE EXPENSES	\$ -	\$ -	\$ -	\$ -	\$ -
21. TRAVEL	\$ -	\$ -	\$ -	\$ -	\$ -
22. ENTERTAINMENT	\$ -	\$ -	\$ -	\$ -	\$ -
23. REPAIRS & MAINTENANCE	\$ -	\$ -	\$ -	\$ -	\$ -
24. SUPPLIES	\$ -	\$ -	\$ -	\$ -	\$ -
25. ADVERTISING	\$ -	\$ -	\$ -	\$ -	\$ -
26. OTHER (ATTACH LIST)	\$ 1,318,700	\$ 3,283,898	\$ 3,195,054	\$ 3,633,331	\$ 653,828
27. TOTAL OPERATING DISBURSEMENTS	\$ 6,817,251	\$ 20,613,478	\$ 11,547,870	\$ 13,583,243	\$ 2,122,305
REORGANIZATION EXPENSES					
28. PROFESSIONAL FEES	\$ -	\$ 5,460,546	\$ 5,572,032	\$ 11,551,682	\$ 39,255
29. U.S. TRUSTEE FEES	\$ -	\$ 68,173	\$ 167,025	\$ 277,924	\$ -
30. OTHER (ATTACH LIST)	\$ -	\$ 715,317	\$ 300,000	\$ 961,289	\$ 210,000
31. TOTAL REORGANIZATION EXPENSES	\$ -	\$ 6,244,037	\$ 6,039,057	\$ 12,790,896	\$ 249,255
32. TOTAL DISBURSEMENTS	\$ 6,817,251	\$ 26,857,515	\$ 17,586,927	\$ 26,374,138	\$ 2,371,560
33. NET CASH FLOW	\$ 6,947,179	\$ 3,031,058	\$ 2,461,404	\$ (9,106,059)	\$ 2,864,915
34. CASH - END OF MONTH	\$ 9,501,409	\$ 12,532,467	\$ 14,993,872	\$ 5,887,813	\$ 8,752,728

¹ All postpetition receipts are included in line 3, Management Fees and Other Related Receipts.

Monthly Operating Report
ACCRUAL BASIS-3B

CASE NAME:	Highland Capital Management
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OPERATING DISBURSMENTS - OTHER

Date	Amount	Vendor
10/1/2020	158,674.80	Crescent TC Investors LP
10/1/2020	35,839.30	East West Visa pmt
10/2/2020	51.72	American Solutions for Business
10/2/2020	67.92	UPS Supply Chain Solutions
10/2/2020	300.00	Action Shred of Texas
10/2/2020	593.75	ProStar Services, Inc
10/2/2020	1,649.07	GRUBHUB for Work
10/2/2020	2,567.28	Canteen Vending Services
10/2/2020	2,668.57	Iron Mountain Records Management
10/2/2020	5,884.76	ABM
10/2/2020	6,866.42	Willis of Texas, Inc.
10/2/2020	11,423.25	Fitch Solutions, Inc.
10/2/2020	18,042.03	Siepe Software, LLC
10/2/2020	35,200.00	Intex Solutions, Inc.
10/2/2020	3,102.00	Third Party Consultant
10/2/2020	6,179.02	TW Telecom Holdings, llc
10/2/2020	11,532.12	ICE Data Pricing & Reference Data, LLC
10/2/2020	44,741.78	Third Party Consultant
10/8/2020	263.81	Directv, LLC
10/8/2020	664.00	PBGC
10/9/2020	158.36	UPS Supply Chain Solutions
10/9/2020	13,271.70	Refinitiv US LLC
10/9/2020	330.77	ProStar Services, Inc
10/9/2020	1,208.84	Options Price Reporting Authority
10/9/2020	2,128.81	NYSE MARKET, INC
10/9/2020	112.21	Iron Mountain Records Management
10/9/2020	6,863.93	ICE Data Pricing & Reference Data, LLC
10/9/2020	47,729.56	Houlihan Lokey
10/9/2020	1,622.46	GRUBHUB for Work
10/9/2020	100.32	CT Corporation System
10/9/2020	4,059.81	Concur Technologies, Inc.
10/9/2020	15,197.50	Centroid
10/9/2020	824.31	CDW Direct
10/9/2020	1,590.12	Canteen Vending Services
10/9/2020	20,731.98	Bloomberg Finance LP
10/9/2020	158.04	Arkadin, Inc.
10/9/2020	342.00	Ace Parking Management Inc.
10/9/2020	2,466.10	Thomson West
10/14/2020	550.67	Xerox Corporation
10/14/2020	10,407.89	Pricewaterhouse Coopers, LLP
10/15/2020	1,000.00	Pitney Bowes- Purchase Power
10/16/2020	7,551.64	ICE Data Pricing & Reference Data, LLC
10/16/2020	293.63	UPS Supply Chain Solutions
10/16/2020	320.90	Verity Group
10/16/2020	938.36	Standard Insurance Company
10/16/2020	1,825.96	GRUBHUB for Work
10/16/2020	2,391.37	Canteen Vending Services
10/16/2020	3,236.64	DTCC ITP LLC
10/16/2020	19,159.48	Strategas Securities LLC
10/19/2020	2,092.34	Zayo Group, LLC
10/20/2020	880.04	EastWest Bank
10/22/2020	24.60	CHASE COURIERS, INC
10/22/2020	87.50	UPS Supply Chain Solutions
10/22/2020	303.10	Four Seasons Landscaping, LLC
10/22/2020	1,171.83	Canteen Vending Services
10/22/2020	3,251.87	Third Party Consultant
10/22/2020	11,887.73	Flexential Colorado Corp.
10/22/2020	16,967.11	Ace Parking Management Inc.
10/22/2020	18,673.13	MERGERMARKET LTD
10/22/2020	4,629.14	Liberty Life Assurance Company of Boston - Group Benefits
10/27/2020	34,520.76	Reorg Research, Inc.
10/28/2020	12,250.00	Summit Management Limited
10/30/2020	3,500.00	MaplesFS Service Company Limited
10/30/2020	1,914.10	Canteen Vending Services
10/30/2020	1,692.38	Oracle America, Inc.
10/30/2020	1,642.86	GRUBHUB for Work
10/30/2020	1,270.09	ICE Data Pricing & Reference Data, LLC
10/30/2020	740.80	CDW Direct
10/30/2020	715.53	ProStar Services, Inc
10/30/2020	552.35	DTCC ITP LLC
10/30/2020	495.00	Intralinks
10/30/2020	172.44	UPS Supply Chain Solutions
10/30/2020	146.14	Secured Access Systems, LLC
10/30/2020	12,996.05	Third Party Consultant
10/30/2020	6,866.42	Willis of Texas, Inc.
10/30/2020	137.50	AT&T
10/30/2020	1,362.60	Discovery Benefits Admin
	653,828	

REORGANIZATION EXPENSES - OTHER

Date	Amount	Description
10/1/2020	30,000	Dubel & Associates, L.L.C.
10/1/2020	150,000	J.P. Seery & Co. LLC
10/1/2020	30,000	Nelms and Associates
	210,000	

Monthly Operating Report
ACCRUAL BASIS-4

CASE NAME:	Highland Capital Management
CASE NUMBER:	19-34054

MGMT FEE RECEIVABLE AGING ²		July ³	August ³	September ³	October ³
1.	0-30	\$2,428,715	\$1,768,818	\$2,577,696	\$3,148,887
2.	31-60	\$1,285,718	\$772,384		\$807,441
3.	61-90			\$772,384	
4.	91+				\$746,913
5.	TOTAL MGMT FEE RECEIVABLE	\$ 3,714,432	\$ 2,541,202	\$ 3,350,080	\$4,703,241
6.	AMOUNT CONSIDERED UNCOLLECTIBLE				
7.	MGMT FEE RECEIVABLE (NET)	\$ 3,714,432	\$ 2,541,202	\$ 3,350,080	\$4,703,241

AGING OF POSTPETITION TAXES AND PAYABLES			MONTH: October 2020		
TAXES PAYABLE	0-30 DAYS	31-60 DAYS	61-90 DAYS	91+ DAYS	TOTAL
1. FEDERAL					\$0
2. STATE					\$0
3. LOCAL					\$0
4. OTHER (ATTACH LIST)					\$0
5. TOTAL TAXES PAYABLE	\$0	\$0	\$0	\$0	\$0
6. ACCOUNTS PAYABLE	\$723,031	\$83,748	\$14,787	\$101,044	\$922,610

STATUS OF POSTPETITION TAXES ¹		MONTH: October 2020		
	BEGINNING TAX LIABILITY	AMOUNT WITHHELD AND/OR ACCRUED	AMOUNT PAID	ENDING TAX LIABILITY
FEDERAL				
1. WITHHOLDING				\$0
2. FICA-EMPLOYEE				\$0
3. FICA-EMPLOYER				\$0
4. UNEMPLOYMENT				\$0
5. INCOME				\$0
6. OTHER (ATTACH LIST)				\$0
7. TOTAL FEDERAL TAXES	\$0	\$0	\$0	\$0
STATE AND LOCAL				
8. WITHHOLDING				\$0
9. SALES				\$0
10. EXCISE				\$0
11. UNEMPLOYMENT				\$0
12. REAL PROPERTY	\$0	\$0	\$0	\$0
13. PERSONAL PROPERTY				\$0
14. OTHER (ATTACH LIST)				\$0
15. TOTAL STATE & LOCAL	\$0	\$0	\$0	\$0
16. TOTAL TAXES	\$0	\$0	\$0	\$0

- The Debtor funds all state and federal employment taxes to Paylocity, who files all required federal and state related employment reports and withholdings.
- Aging based on when management fee is due and payable.
- All balances are preliminary, unaudited, and subject to further year-end closing entries pursuant to the normal year-end closing process.

Monthly Operating Report
ACCRUAL BASIS-5

CASE NAME:	Highland Capital Management
CASE NUMBER:	19-34054

MONTH: October 2020

BANK RECONCILIATIONS	Account #1	Account #2	Account #3	Account #4	Account #5	Account #6	
A. BANK:	East West Bank	East West Bank	Maxim Group	Jefferies LLC	Nexbank	East West Bank	
B. ACCOUNT NUMBER:	x4686	x4693	x1885	x0932	x5891	x5848	TOTAL
C. PURPOSE (TYPE):	Operating	Insurance	Brokerage	Brokerage	CD	Prepaid Card	
1. BALANCE PER BANK STATEMENT ¹	\$ 8,286,354	\$ 228,102	\$ 30	\$ -	\$ 138,190	\$ 100,060	\$ 8,752,736
2. ADD: TOTAL DEPOSITS NOT CREDITED							\$ -
3. SUBTRACT: OUTSTANDING CHECKS							\$ -
4. OTHER RECONCILING ITEMS							\$ -
5. MONTH END BALANCE PER BOOKS	\$ 8,286,354	\$ 228,102	\$ 30	\$ -	\$ 138,190	\$ 100,060	\$ 8,752,736
6. NUMBER OF LAST CHECK WRITTEN	100510	n/a	n/a	n/a	n/a	n/a	

INVESTMENT ACCOUNTS	DATE OF PURCHASE	TYPE OF INSTRUMENT	PURCHASE PRICE	CURRENT VALUE
BANK, ACCOUNT NAME & NUMBER				
7.				
8.				
9.				
10.				
11. TOTAL INVESTMENTS			\$0	\$0

CASH	
12. CURRENCY ON HAND	\$0
13. TOTAL CASH - END OF MONTH	\$8,752,736

¹ Account x6342 is now closed.

Monthly Operating Report
ACCRUAL BASIS-6

CASE NAME:	Highland Capital Management
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MONTH: October 2020

PAYMENTS TO INSIDERS AND PROFESSIONALS

INSIDERS				
	NAME	TYPE OF PAYMENT	AMOUNT PAID	TOTAL PAID POST PETITION
1	Frank Waterhouse	Salary	\$33,333	\$393,750
2	Frank Waterhouse	Expense Reimbursement	\$304	\$6,222
3	Scott Ellington	Salary	\$37,500	\$468,750
4	Scott Ellington	Expense Reimbursement	\$244	\$6,338
5	James Dondero	Salary	\$0	\$129,972
6	James Dondero	Expense Reimbursement ¹	\$0	\$16,918
7	Thomas Surgent	Salary	\$33,333	\$416,667
8	Thomas Surgent	Expense Reimbursement	\$360	\$4,581
9	Trey Parker	Salary	\$0	\$131,250
10	Trey Parker	Expense Reimbursement	\$0	\$6,212
TOTAL PAYMENTS TO INSIDERS			\$105,074	\$1,580,659

¹ The total amount of reimbursements during the reporting month also included \$8,194 for use of the credit card by the Debtor for office related expenses such as subscriptions and IT equipment/software.

PROFESSIONALS ²						
NAME		DATE OF MONTHLY FEE APPLICATION	AMOUNT APPROVED	AMOUNT PAID	TOTAL PAID TO DATE	TOTAL INCURRED & UNPAID
1.	Kurtzman Carson Consultants LLC		-	-	532,521	54,170
2.	Sidley Austin LLP		-	-	5,807,091	821,421
3.	Young Conaway Stargatt & Taylor LLP		-	-	281,156	-
4.	FTI Consulting, Inc.		-	-	3,607,292	391,704
5.	Pachulski Stang Ziehl & Jones LLP		-	-	8,435,219	2,109,271
6	Hayward & Associates PLLC		-	-	256,412	5,957
7	Development Specialists, Inc.		-	-	2,351,224	-
8	Foley & Lardner LLP		-	-	464,294	127,594
9	Mercer (US) Inc.		-	-	170,284	-
10	Wilmer Cutler Pickering Hale and Dorr LLP		-	-	618,643	
11	Meta-e Discovery LLC		-	-	165,000	
TOTAL PAYMENTS TO PROFESSIONALS				-	22,689,136	3,510,117

² Does not include payments to ordinary course professionals.

POSTPETITION STATUS OF SECURED NOTES, LEASES PAYABLE AND ADEQUATE PROTECTION PAYMENTS

	NAME OF CREDITOR	SCHEDULED MONTHLY PAYMENTS DUE	AMOUNTS PAID DURING MONTH	TOTAL UNPAID POSTPETITION
1.	Crescent TC Investors LP (rent portion only)	130,364	130,364	-
2.				
3.				
4.				
5.				
6.	TOTAL	130,364	\$130,364	\$0

Monthly Operating Report ACCRUAL BASIS-7

CASE NAME:	Highland Capital Management
CASE NUMBER:	19-34054

MONTH: October 2020

QUESTIONNAIRE

	YES	NO
1. HAVE ANY ASSETS BEEN SOLD OR TRANSFERRED OUTSIDE THE NORMAL COURSE OF BUSINESS THIS REPORTING PERIOD?		x
2. HAVE ANY FUNDS BEEN DISBURSED FROM ANY ACCOUNT OTHER THAN A DEBTOR IN POSSESSION ACCOUNT?		x
3. ARE ANY POSTPETITION RECEIVABLES (ACCOUNTS, NOTES, OR LOANS) DUE FROM RELATED PARTIES?	x	
4. HAVE ANY PAYMENTS BEEN MADE ON PREPETITION LIABILITIES THIS REPORTING PERIOD?		x
5. HAVE ANY POSTPETITION LOANS BEEN RECEIVED BY THE DEBTOR FROM ANY PARTY?		x
6. ARE ANY POSTPETITION PAYROLL TAXES PAST DUE?		x
7. ARE ANY POSTPETITION STATE OR FEDERAL INCOME TAXES PAST DUE?		x
8. ARE ANY POSTPETITION REAL ESTATE TAXES PAST DUE?		x
9. ARE ANY OTHER POSTPETITION TAXES PAST DUE?		x
10. ARE ANY AMOUNTS OWED TO POSTPETITION CREDITORS DELINQUENT?		x
11. HAVE ANY PREPETITION TAXES BEEN PAID DURING THE REPORTING PERIOD?		x
12. ARE ANY WAGE PAYMENTS PAST DUE?		x

IF THE ANSWER TO ANY OF THE ABOVE QUESTIONS IS "YES," PROVIDE A DETAILED EXPLANATION OF EACH ITEM. ATTACH ADDITIONAL SHEETS IF NECESSARY.

3 Debtor generates fee income and other receipts from various related parties in normal course, see cash management motion for further discussion.

INSURANCE

	YES	NO
1. ARE WORKER'S COMPENSATION, GENERAL LIABILITY AND OTHER NECESSARY INSURANCE COVERAGES IN EFFECT?	x	
2. ARE ALL PREMIUM PAYMENTS PAID CURRENT?	x	
3. PLEASE ITEMIZE POLICIES BELOW.		

IF THE ANSWER TO ANY OF THE ABOVE QUESTIONS IS "NO," OR IF ANY POLICIES HAVE BEEN CANCELLED OR NOT RENEWED DURING THIS REPORTING PERIOD, PROVIDE AN EXPLANATION BELOW. ATTACH ADDITIONAL SHEETS IF NECESSARY.

INSTALLMENT PAYMENTS			
TYPE OF POLICY	CARRIER	PERIOD COVERED	PAYMENT AMOUNT & FREQUENCY